

SENATE BILL No. 285

DIGEST OF INTRODUCED BILL

Citations Affected: IC 3-11-3; IC 6-1.1.

Synopsis: Property tax payments. Permits a county legislative body to authorize the transmission by electronic mail of property tax statements and related information. Charges the county treasurer and county auditor with the administration of the program. Requires the designation of a single electronic mail address for joint owners and entities other than individuals. If the electronic mail is not received, requires the county treasurer to mail a hard copy of the statement. Directs the department of local government finance to create a form for taxpayers to authorize the transmission by electronic mail and requires a county to make the form available to voters at the polls at each election. Allows for automatic deductions of payments for property taxes and special assessments from any account held by a financial institution, not just from a checking account. Requires a county to distribute to political subdivisions in the county at the normal semiannual distribution date revenue from monthly installment property tax collections.

Effective: July 1, 2009.

Holdman

January 7, 2009, read first time and referred to Committee on Local Government.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

SENATE BILL No. 285

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 3-11-3-11, AS AMENDED BY P.L.230-2005,
2 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2009]: Sec. 11. (a) The county election board shall deliver the
4 following to each inspector or the inspector's representative:

5 (1) The supplies provided for the inspector's precinct by the
6 election division.

7 (2) The local sample ballots, the ballot labels, if any, and all poll
8 lists, registration lists, and other supplies considered necessary to
9 conduct the election in the inspector's precinct.

10 (3) The local ballots printed under the direction of the county
11 election board as follows:

12 (A) In those precincts where ballot card voting systems are to
13 be used, the number of ballots at least equal to one hundred
14 percent (100%) of the number of voters in the inspector's
15 precinct, according to the poll list.

16 (B) In those precincts where electronic voting systems are to
17 be used, the number of ballots that will be required to be



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printed and furnished to the precincts for emergency purposes only.

(C) Provisional ballots in the number considered necessary by the county election board.

(4) Twenty (20) ink pens suitable for printing the names of write-in candidates on the ballot or ballot envelope.

(5) Copies of the voter's bill of rights for posting as required by 42 U.S.C. 15482.

(6) Copies of the instructions for a provisional voter required by 42 U.S.C. 15482. The county election board shall provide at least the number of copies of the instructions as the number of provisional ballots provided under subdivision (3).

(7) In a county in which an authorizing ordinance is adopted under IC 6-1.1-22-8.1(i), copies of the form created under IC 6-1.1-22-8.1(k) for the receipt by electronic mail of statements and information concerning property taxes and special assessments.

(b) In a county in which an authorizing ordinance is adopted under IC 6-1.1-22-8.1(i), the following must be made available to each voter at the polls on each election day:

(1) The form referred to in subsection (a)(7).

(2) A pre-addressed envelope for the voter to mail the completed form to the county treasurer.

SECTION 2. IC 3-11-3-36 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 36. In a county in which an authorizing ordinance is adopted under IC 6-1.1-22-8.1(i), the circuit court clerk shall provide to the county election board:**

(1) the forms provided to the clerk by the county treasurer and county auditor under IC 6-1.1-22-8.1(k)(2); and

(2) the envelopes referred to in section 11(b)(2) of this chapter.

SECTION 3. IC 6-1.1-17-3, AS AMENDED BY P.L.146-2008, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:**

(1) the estimated budget;

(2) the estimated maximum permissible levy;

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(3) the current and proposed tax levies of each fund; and

(4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. Beginning in 2009, the duties required by this subsection must be completed before August 10 of the calendar year. A political subdivision shall provide the estimated budget and levy information required for the notice under subsection (b) to the county auditor on the schedule determined by the department of local government finance.

(b) Beginning in 2010, **except as provided in IC 6-1.1-22-8.1(i)**, before October 1 of a calendar year, the county auditor shall mail to the last known address of each person liable for any property taxes, as shown on the tax duplicate, or to the last known address of the most recent owner shown in the transfer book, a statement that includes:

(1) the assessed valuation as of the assessment date in the current calendar year of tangible property on which the person will be liable for property taxes first due and payable in the immediately succeeding calendar year and notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1(c) (before July 1, 2008) or IC 6-1.1-15-1 (after June 30, 2008);

(2) the amount of property taxes for which the person will be liable to each political subdivision on the tangible property for taxes first due and payable in the immediately succeeding calendar year, taking into account all factors that affect that liability, including:

(A) the estimated budget and proposed tax rate and tax levy formulated by the political subdivision under subsection (a);

(B) any deductions or exemptions that apply to the assessed valuation of the tangible property;

(C) any credits that apply in the determination of the tax liability; and

(D) the county auditor's best estimate of the effects on the tax liability that might result from actions of:

(i) the county board of tax adjustment; or

(ii) the department of local government finance;

(3) a prominently displayed notation that:

(A) the estimate under subdivision (2) is based on the best information available at the time the statement is mailed; and

(B) based on various factors, including potential actions by:

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- 1 (i) the county board of tax adjustment; or
 2 (ii) the department of local government finance;
 3 it is possible that the tax liability as finally determined will
 4 differ substantially from the estimate;
 5 (4) comparative information showing the amount of property
 6 taxes for which the person is liable to each political subdivision
 7 on the tangible property for taxes first due and payable in the
 8 current year; and
 9 (5) the date, time, and place at which the political subdivision will
 10 hold a public hearing on the political subdivision's estimated
 11 budget and proposed tax rate and tax levy as required under
 12 subsection (a).
 13 (c) The department of local government finance shall:
 14 (1) prescribe a form for; and
 15 (2) provide assistance to county auditors in preparing;
 16 statements under subsection (b). Mailing the statement described in
 17 subsection (b) to a mortgagee maintaining an escrow account for a
 18 person who is liable for any property taxes shall not be construed as
 19 compliance with subsection (b).
 20 (d) The board of directors of a solid waste management district
 21 established under IC 13-21 or IC 13-9.5-2 (before its repeal) may
 22 conduct the public hearing required under subsection (a):
 23 (1) in any county of the solid waste management district; and
 24 (2) in accordance with the annual notice of meetings published
 25 under IC 13-21-5-2.
 26 (e) The trustee of each township in the county shall estimate the
 27 amount necessary to meet the cost of township assistance in the
 28 township for the ensuing calendar year. The township board shall adopt
 29 with the township budget a tax rate sufficient to meet the estimated cost
 30 of township assistance. The taxes collected as a result of the tax rate
 31 adopted under this subsection are credited to the township assistance
 32 fund.
 33 (f) This subsection expires January 1, 2009. A county shall adopt
 34 with the county budget and the department of local government finance
 35 shall certify under section 16 of this chapter a tax rate sufficient to raise
 36 the levy necessary to pay the following:
 37 (1) The cost of child services (as defined in IC 12-19-7-1) of the
 38 county payable from the family and children's fund.
 39 (2) The cost of children's psychiatric residential treatment
 40 services (as defined in IC 12-19-7.5-1) of the county payable from
 41 the children's psychiatric residential treatment services fund.
 42 A budget, tax rate, or tax levy adopted by a county fiscal body or

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approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under section 11 of this chapter.

SECTION 4. IC 6-1.1-22-8.1, AS AMENDED BY P.L.3-2008, SECTION 53, AND AS AMENDED BY P.L.146-2008, SECTION 251, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8.1. (a) This section applies only to property taxes and special assessments first due and payable after December 31, 2007.

(b) The county treasurer shall:

(1) **except as provided in subsection (i)**, mail to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book; and

(2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any property taxes or special assessments, as shown on the tax duplicate or special assessment records;

a statement in the form required under subsection (c). *However, for property taxes first due and payable in 2008, the county treasurer may choose to use a tax statement that is different from the tax statement prescribed by the department under subsection (c). If a county chooses to use a different tax statement, the county must still transmit (with the tax bill) the statement in either color type or black-and-white type.*

(c) The department of local government finance shall prescribe a form, subject to the approval of the state board of accounts, for the statement under subsection (b) that includes at least the following:

(1) A statement of the taxpayer's current and delinquent taxes and special assessments.

(2) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's liability that will be distributed to each taxing unit in the county.

(3) An itemized listing for each property tax levy, including:

(A) the amount of the tax rate;

(B) the entity levying the tax owed; and

(C) the dollar amount of the tax owed.

(4) Information designed to show the manner in which the taxes and special assessments billed in the tax statement are to be used.

(5) A comparison showing any change in the assessed valuation for the property as compared to the previous year.

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(6) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify:

(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year; and

(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.

(7) An explanation of the following:

(A) The homestead credit and all property tax deductions.

(B) The procedure and deadline for filing for the homestead credit and each deduction.

(C) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(D) The forms that must be filed for an appeal or a petition described in clause (C).

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(8) A checklist that shows:

(A) the homestead credit and all property tax deductions; and

(B) whether the homestead credit and each property tax deduction applies in the current statement for the property transmitted under subsection (b).

(d) The county treasurer may mail or transmit the statement one (1) time each year at least fifteen (15) days before the date on which the first or only installment is due. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment.

(e) All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the

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1 county seat.

2 (f) The county treasurer, county auditor, and county assessor shall
3 cooperate to generate the information to be included in the statement
4 under subsection (c).

5 (g) The information to be included in the statement under subsection
6 (c) must be simply and clearly presented and understandable to the
7 average individual.

8 (h) After December 31, 2007, a reference in a law or rule to
9 IC 6-1.1-22-8 (*expired January 1, 2008, and repealed*) shall be treated
10 as a reference to this section.

11 **(i) Transmission of statements and other information under this**
12 **subsection applies in a county only if the county legislative body**
13 **adopts an authorizing ordinance. Subject to subsection (j), in a**
14 **county in which an ordinance is adopted under this subsection for**
15 **property taxes and special assessments first due and payable after**
16 **2009, a person may direct the county treasurer and county auditor**
17 **to transmit the following to the person by electronic mail:**

18 (1) A statement that would otherwise be sent by the county
19 treasurer to the person by regular mail under subsection
20 (b)(1), including a statement that reflects installment payment
21 due dates under section 9.5 or 9.7 of this chapter.

22 (2) A provisional tax statement that would otherwise be sent
23 by the county treasurer to the person by regular mail under
24 IC 6-1.1-22.5-6.

25 (3) A reconciling tax statement that would otherwise be sent
26 by the county treasurer to the person by regular mail under
27 any of the following:

28 (A) Section 9 of this chapter.

29 (B) Section 9.7 of this chapter.

30 (C) IC 6-1.1-22.5-12, including a statement that reflects
31 installment payment due dates under IC 6-1.1-22.5-18.5.

32 (4) A statement that would otherwise be sent by the county
33 auditor to the person by regular mail under IC 6-1.1-17-3(b).

34 (5) Any other information that:

35 (A) concerns the property taxes or special assessments;
36 and

37 (B) would otherwise be sent:

38 (i) by the county treasurer or the county auditor to the
39 person by regular mail; and

40 (ii) before the last date the property taxes or special
41 assessments may be paid without becoming delinquent.

42 (j) For property with respect to which more than one (1) person

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1 is liable for property taxes and special assessments, subsection (i)
 2 applies only if all the persons liable for property taxes and special
 3 assessments designate the electronic mail address for only one (1)
 4 individual authorized to receive the statements and other
 5 information referred to in subsection (i).

6 (k) Before 2010, the department of local government finance
 7 shall create a form to be used to implement subsection (i). The
 8 county treasurer and county auditor shall:

9 (1) make the form created under this subsection available to
 10 the public;

11 (2) provide copies of the form to the circuit court clerk to be
 12 made available to voters under IC 3-11-3-11(b);

13 (3) transmit a statement or other information by electronic
 14 mail under subsection (i) to a person who, at least thirty (30)
 15 days before the anticipated general mailing date of the
 16 statement or other information, files the form created under
 17 this subsection:

18 (A) with the county treasurer; or

19 (B) with the county auditor; and

20 (4) publicize the availability of the electronic mail option
 21 under this subsection through appropriate media in a manner
 22 reasonably designed to reach members of the public.

23 (l) The form referred to in subsection (k) must:

24 (1) explain that a form filed as described in subsection (k)(3)
 25 remains in effect until the person files a replacement form to:

26 (A) change the person's electronic mail address; or

27 (B) terminate the electronic mail option under subsection
 28 (i); and

29 (2) allow a person to do at least the following with respect to
 30 the electronic mail option under subsection (i):

31 (A) Exercise the option.

32 (B) Change the person's electronic mail address.

33 (C) Terminate the option.

34 (D) For a person other than an individual, designate the
 35 electronic mail address for only one (1) individual
 36 authorized to receive the statements and other information
 37 referred to in subsection (i).

38 (E) For property with respect to which more than one (1)
 39 person is liable for property taxes and special assessments,
 40 designate the electronic mail address for only one (1)
 41 individual authorized to receive the statements and other
 42 information referred to in subsection (i).

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(m) The form created under subsection (k) is considered filed with the county treasurer or the county auditor on the postmark date. If the postmark is missing or illegible, the postmark is considered to be one (1) day before the date of receipt of the form by the county treasurer or the county auditor.

(n) The county treasurer shall maintain a record that shows at least the following:

(1) Each person to whom a statement or other information is transmitted by electronic mail under this section.

(2) The information included in the statement.

(3) Whether the person received the statement.

SECTION 5. IC 6-1.1-22-9, AS AMENDED BY P.L.146-2008, SECTION 252, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. (a) Except as provided in subsections (b) and (c), the property taxes assessed for a year under this article are due in two (2) equal installments on May 10 and November 10 of the following year.

(b) Subsection (a) does not apply if any of the following apply to the property taxes assessed for the year under this article:

(1) Subsection (c).

(2) Subsection (d).

~~(3) Subsection (h):~~

~~(4) Subsection (i):~~

~~(5) (3) IC 6-1.1-7-7.~~

~~(6) (4) Section 9.5 of this chapter.~~

(c) A county council may adopt an ordinance to require a person to pay the person's property tax liability in one (1) installment, if the tax liability for a particular year is less than twenty-five dollars (\$25). If the county council has adopted such an ordinance, then whenever a tax statement mailed under section 8.1 of this chapter shows that the person's property tax liability for a year is less than twenty-five dollars (\$25) for the property covered by that statement, the tax liability for that year is due in one (1) installment on May 10 of that year.

(d) If the county treasurer receives a copy of an appeal petition under IC 6-1.1-18.5-12(d) before the county treasurer mails or transmits statements under section 8.1(b) of this chapter, the county treasurer may:

(1) mail or transmit the statements without regard to the pendency of the appeal and, if the resolution of the appeal by the department of local government finance results in changes in levies, mail or transmit reconciling statements under subsection (e); or

(2) delay the mailing or transmission of statements under section

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8.1(b) of this chapter so that:

(A) the due date of the first installment that would otherwise be due under subsection (a) is delayed by not more than sixty (60) days; and

(B) all statements reflect any changes in levies that result from the resolution of the appeal by the department of local government finance.

(e) A reconciling statement under subsection (d)(1) must indicate:

(1) the total amount due for the year;

(2) the total amount of the installments paid that did not reflect the resolution of the appeal under IC 6-1.1-18.5-12(d) by the department of local government finance;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), the adjusted amount that is payable by the taxpayer:

(A) as a final reconciliation of all amounts due for the year; and

(B) not later than:

(i) November 10; or

(ii) the date or dates established under section 9.5 of this chapter; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(f) If property taxes are not paid on or before the due date, the penalties prescribed in IC 6-1.1-37-10 shall be added to the delinquent taxes.

(g) Notwithstanding any other law, a property tax liability of less than five dollars (\$5) is increased to five dollars (\$5). The difference between the actual liability and the five dollar (\$5) amount that appears on the statement is a statement processing charge. The statement processing charge is considered a part of the tax liability.

(h) This subsection applies only if a statement for payment of property taxes and special assessments by electronic mail is transmitted to a person under section 8.1(i) of this chapter. If a response to the transmission of electronic mail to a person indicates that the electronic mail was not received, the county treasurer shall mail to the person a hard copy of the statement in the manner required by section 8.1(b) of this chapter for persons who do not opt to receive statements by electronic mail. The due date for the property taxes and special assessments under a statement mailed to a person under this subsection is the due date indicated in the

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statement transmitted to the person by electronic mail.

(i) In a county in which an authorizing ordinance is adopted under section 8.1(i) of this chapter, a person may direct the county treasurer to transmit a reconciling statement under subsection (d)(1) by electronic mail under section 8.1(i) of this chapter.

SECTION 6. IC 6-1.1-22-9.7, AS ADDED BY P.L.118-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9.7. (a) As used in this section, "current year" refers to the calendar year in which property taxes are first due and payable and are subject to payment under this section:

(1) by automatic deduction from ~~a checking an~~ account of the taxpayer that is held by a financial institution; or

(2) under a monthly installment plan.

(b) As used in this section, "monthly installment plan" means a plan that:

(1) is adopted under this section;

(2) provides for the monthly payment of tax liability; and

(3) does not involve an automatic deduction from ~~a checking an~~ account of the taxpayer that is held by a financial institution.

(c) As used in this section, "preceding year" refers to the calendar year that immediately precedes the current year.

(d) As used in this section, "tax liability" includes liability for special assessments and refers to liability for property taxes after the application of all allowed deductions and credits.

(e) After June 30, 2009, the county fiscal body (as defined in IC 36-1-2-6) may at any time adopt an ordinance to allow all county taxpayers to pay one (1) or more installments of property taxes by any combination of the following:

(1) Automatic monthly deductions from ~~a checking an~~ account of the taxpayer that is held by a financial institution.

(2) Payments under a monthly installment plan.

(f) An ordinance adopted under subsection (e):

(1) may apply to more than one (1) calendar year; and

(2) must include at least the following:

(A) Identification of the property tax installment or installments for which payment:

(i) by automatic deduction from ~~a checking an~~ account of the taxpayer that is held by a financial institution; or

(ii) under a monthly installment plan;

is authorized.

(B) Provisions for notice to county taxpayers of the option to pay one (1) or more property tax installments:

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- (i) by automatic deduction from ~~a checking~~ **an account of the taxpayer that is held by a financial institution**; or
- (ii) under a monthly installment plan.

(C) Authority for the county treasurer to make available to county taxpayers a form to be completed by a taxpayer and submitted to the county treasurer to:

- (i) direct the county treasurer to accept payment of the taxpayer's property taxes by automatic deduction from ~~a checking~~ **an account of the taxpayer that is held by a financial institution**; and
- (ii) authorize the **financial** institution that holds the taxpayer's ~~checking~~ account to deduct monthly the appropriate amount from the account and to pay that amount to the county treasurer.

However, this clause applies only if the county fiscal body has adopted an ordinance under this section to allow taxpayers to pay property taxes by automatic deductions from ~~a checking~~ **an account of the taxpayer that is held by a financial institution**.

(D) Authority for the county treasurer to accept payment of the taxpayer's property taxes under a monthly installment plan. However, this clause applies only if the county fiscal body has adopted an ordinance under this section to allow taxpayers to pay property taxes by monthly installment payments under a monthly installment plan.

An ordinance adopted under subsection (e) may include a provision authorizing taxpayers to make monthly deductions or monthly installment payments in an amount determined by the taxpayer that is different from the amount otherwise determined by the county treasurer under subsection (h), (i), (j), or (k).

(g) If an ordinance is adopted under subsection (e) to allow taxpayers to pay property taxes by automatic deductions from ~~a checking~~ **an account of the taxpayer that is held by a financial institution**, the county treasurer shall provide to each county taxpayer that submits to the county treasurer the form referred to in subsection (f)(2)(C) a statement that includes at least the following:

- (1) The amount to be deducted monthly from the taxpayer's ~~checking~~ account.
- (2) Identification of the day each month, as chosen by the taxpayer, when the deduction will be made.
- (3) A calculation of the amount to be deducted.
- (4) An explanation of the manner in which property taxes for the

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current year will be reconciled under subsection (n) and notice that any property tax payments for the current year made by the taxpayer by means other than automatic deduction from the taxpayer's ~~checking~~ account will be taken into account in the reconciliation.

(5) An explanation of the penalties that apply if there are insufficient funds in the taxpayer's ~~checking~~ account to cover one (1) or more automatic deductions.

(h) This subsection applies only if the county treasurer determines that at the time the calculation under subsection (g)(3) is made the amount of tax liability for the current year has not been determined. Subject to subsections (i) and (j), the county treasurer shall do the following:

(1) Determine the following:

(A) For a parcel of real property, the most recently determined amount of tax liability that applied to the parcel for the preceding year.

(B) For a personal property return, the most recently determined amount of tax liability that applied for the personal property return for the same location for the preceding year.

(C) For distributable property, the most recently determined amount of tax liability that applied with respect to the statement filed by the taxpayer under IC 6-1.1-8-19 for the preceding year.

(D) For a mobile home subject to IC 6-1.1-7, the most recently determined amount of tax liability that applied to the mobile home for the preceding year.

(2) Determine the amount of the monthly deduction from the taxpayer's ~~checking~~ account **of the taxpayer that is held by a financial institution** or the amount due under a monthly installment plan in the amount determined in the last STEP of the following STEPS:

STEP ONE: Determine under subdivision (1) the amount of tax liability that applied for the preceding year.

STEP TWO: Determine the quotient of:

(i) the number of property tax installments for the current year identified in the ordinance under subsection (f)(2)(A); divided by

(ii) the total number of property tax installments for the current year.

STEP THREE: Multiply the STEP ONE result by the STEP TWO result.

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STEP FOUR: Determine the quotient of:

- (i) the STEP THREE result; divided by
- (ii) the number of monthly deductions or, in the case of payments under a monthly installment plan, the number of monthly installments.

(i) The county treasurer may determine the monthly deduction or the amount of the monthly installment due under a monthly installment plan in an amount different from the amount determined under subsection (h) if the county treasurer determines that changes in circumstances have caused the amount determined under subsection (h) to differ substantially from the tax liability likely to be determined for the current year.

(j) This subsection applies only if before an ordinance is adopted under subsection (e) the county treasurer determines to use provisional property tax statements under IC 6-1.1-22.5 for the current year. For purposes of determining the amount of the monthly deduction from the ~~taxpayer's checking~~ **account of the taxpayer that is held by a financial institution** or the amount of the taxpayer's monthly installment payment under a monthly installment plan, the county treasurer shall substitute for the tax liability that applied to the parcel for the preceding year under subsection (h) the tax liability to be indicated on the provisional statement.

(k) This subsection applies only if the county treasurer determines that at the time the calculation under subsection (g)(3) is made the amount of tax liability for the current year has been determined. The amount of the monthly deduction from the ~~taxpayer's checking~~ **account of the taxpayer that is held by a financial institution** or the amount of the taxpayer's monthly installment payment under a monthly installment plan is the amount of the tax liability for the current year payable in the installment or installments identified in the ordinance under subsection (f)(2)(A) divided by the number of monthly deductions.

(l) Tax liability paid under this section by automatic deduction from ~~a checking~~ **an account of the taxpayer that is held by a financial institution** is not finally discharged and the person has not paid the tax until the taxpayer's ~~checking~~ account is charged for the payment.

(m) Penalties apply under IC 6-1.1-37-10 as specified in this section to taxes payable by automatic deduction from ~~a checking~~ **an account of the taxpayer that is held by a financial institution** or by monthly installment payments under a monthly installment plan under this section.

(n) After the last monthly ~~checking~~ **account** deduction **from an**

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1 **account of a taxpayer that is held by a financial institution** or last
 2 monthly installment payment under a monthly installment plan under
 3 this section for the current year has been made and after the amount of
 4 tax liability for the current year has been determined, the county
 5 treasurer shall issue a reconciling statement to the taxpayer. Each
 6 reconciling statement must indicate at least the following:

7 (1) The sum of:

- 8 (A) the taxpayer's actual tax liability for the current year; plus
 9 (B) any penalty that applies for the current year.

10 (2) The total amount paid for the current year by automatic
 11 deductions, monthly installment payments under a monthly
 12 installment plan, and by means other than automatic deductions
 13 or monthly installment payments.

14 (3) If the amount under subdivision (1) exceeds the amount under
 15 subdivision (2), the deficiency is payable by the taxpayer:

- 16 (A) as a final reconciliation of the tax liability; and
 17 (B) not later than thirty (30) days after the date of the
 18 reconciling statement.

19 (4) If the amount under subdivision (2) exceeds the amount under
 20 subdivision (1), that the county treasurer will apply the excess as
 21 a credit against the taxpayer's tax liability for the immediately
 22 succeeding calendar year unless the taxpayer makes a claim for
 23 refund of the excess under IC 6-1.1-26.

24 (o) The county ~~auditor~~ **treasurer** shall ~~distribute~~ **deposit the** tax
 25 collections under this section **under IC 5-13-6-3(a). The collections**
 26 **shall remain in the funds in which they are deposited until the**
 27 **county auditor makes the distributions** to the appropriate taxing
 28 units at the semiannual settlements under IC 6-1.1-27. However, this
 29 subsection does not prohibit a county treasurer from making an
 30 advance to a political subdivision under IC 5-13-6-3 of a portion of the
 31 taxes collected.

32 (p) IC 6-1.1-15:

- 33 (1) does not apply to a statement provided under subsection (g);
 34 and
 35 (2) applies to a reconciling statement issued under subsection (n).

36 (q) The following apply to a taxpayer that makes automatic monthly
 37 deductions or monthly installments under this section:

- 38 (1) If a taxpayer makes automatic monthly deductions or monthly
 39 installments of property taxes in the amount determined by the
 40 county treasurer under subsection (h), (i), (j), or (k), the taxpayer's
 41 property tax payments shall not be considered delinquent for
 42 purposes of IC 6-1.1-37-10 and the taxpayer is not subject to

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penalties under that section.

(2) If: ~~a taxpayer~~:

(A) ~~a taxpayer~~ makes automatic monthly deductions or monthly installments of property taxes in an amount that is less than the amount determined by the county treasurer under subsection (h), (i), (j), or (k); and

(B) the total amount of property taxes paid by the taxpayer under automatic monthly deductions, monthly installments, or any other method by the May or November due date is less than the amount determined by the county treasurer under subsection (h), (i), (j), or (k) that should have been paid by the taxpayer for the May or November due date;

the penalty provisions of IC 6-1.1-37-10 apply to the delinquent property taxes.

(r) IC 6-1.1-37-10 applies to any amounts due under a reconciling statement issued under subsection (n) that are not paid within thirty (30) days after the date of the reconciling statement, as required under subsection (n)(3).

(s) For purposes of IC 6-1.1-24-1(a)(1):

(1) property taxes to be paid by automatic deduction or by monthly installments under a monthly installment plan under this section before June of the current year are considered to be the taxpayer's spring installment of property taxes; and

(2) payment on a reconciling statement issued under subsection (n) is considered to be due before the due date of the first installment of property taxes payable in the year immediately following the current year.

SECTION 7. IC 6-1.1-22.5-6, AS AMENDED BY P.L.118-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) Except as provided in subsection (c), with respect to property taxes payable under this article on assessments determined for the 2003 assessment date or the assessment date in any later year, the county treasurer may, except as provided by section 7 of this chapter, use a provisional statement under this chapter if the county auditor fails to deliver the abstract for that assessment date to the county treasurer under IC 6-1.1-22-5 before March 16 of the year following the assessment date.

(b) The county treasurer shall give notice of the provisional statement, including disclosure of the method that is to be used in determining the tax liability to be indicated on the provisional statement, by publication one (1) time:

(1) in the form prescribed by the department of local government

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1 finance; and

2 (2) in the manner described in IC 6-1.1-22-4(b).

3 The notice may be combined with the notice required under section 10
4 of this chapter.

5 (c) Subsection (a) does not apply if the county auditor fails to
6 deliver the abstract as provided in IC 6-1.1-22-5(b).

7 (d) This subsection applies after June 30, 2009. Immediately upon
8 determining to use provisional statements under subsection (a), the
9 county treasurer shall give notice of the determination to the county
10 fiscal body (as defined in IC 36-1-2-6).

11 **(e) In a county in which an authorizing ordinance is adopted**
12 **under IC 6-1.1-22-8.1(i), a person may direct the county treasurer**
13 **to transmit a provisional statement by electronic mail under**
14 **IC 6-1.1-22-8.1(i).**

15 SECTION 8. IC 6-1.1-22.5-9, AS AMENDED BY P.L.219-2007,
16 SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2009]: Sec. 9. (a) Except as provided in ~~subsection~~
18 **subsections** (b) ~~subsection~~ and (c) and section 12 of this chapter,
19 property taxes billed on a provisional statement are due in two (2)
20 equal installments on May 10 and November 10 of the year following
21 the assessment date covered by the provisional statement.

22 (b) If in a county the notices of general reassessment under
23 IC 6-1.1-4-4 or notices of assessment under IC 6-1.1-4-4.5 for an
24 assessment date in a calendar year are given to the taxpayers in the
25 county after March 26 of the immediately succeeding calendar year, the
26 property taxes that would otherwise be due under subsection (a) on
27 May 10 of the immediately succeeding calendar year are due on the
28 later of:

29 (1) May 10 of the immediately succeeding calendar year; or

30 (2) forty-five (45) days after the mailing or transmittal of
31 provisional statements.

32 (c) If subsection (b) applies, the property taxes that would otherwise
33 be due under subsection (a) on November 10 of the immediately
34 succeeding calendar year referred to in subsection (b) are due on the
35 later of:

36 (1) November 10 of the immediately succeeding calendar year; or

37 (2) a date determined by the county treasurer that is not later than
38 December 31 of the immediately succeeding calendar year.

39 **(d) This subsection applies only if a provisional statement for**
40 **payment of property taxes and special assessments by electronic**
41 **mail is transmitted to a person under IC 6-1.1-22-8.1(i). If a**
42 **response to the transmission of electronic mail to a person indicates**

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that the electronic mail was not received, the county treasurer shall mail to the person a hard copy of the provisional statement in the manner required by this chapter for persons who do not opt to receive statements by electronic mail. The due date for the property taxes and special assessments under a provisional statement mailed to a person under this subsection is the due date indicated in the statement transmitted to the person by electronic mail.

SECTION 9. IC 6-1.1-22.5-12, AS AMENDED BY P.L.146-2008, SECTION 254, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. (a) Except as provided by subsection (c), each reconciling statement must indicate:

- (1) the actual property tax liability under this article on the assessment determined for the assessment date for the property for which the reconciling statement is issued;
- (2) the total amount paid under the provisional statement for the property for which the reconciling statement is issued;
- (3) if the amount under subdivision (1) exceeds the amount under subdivision (2), that the excess is payable by the taxpayer:
 - (A) as a final reconciliation of the tax liability; and
 - (B) not later than:
 - (i) thirty (30) days after the date of the reconciling statement;
 - (ii) if the county treasurer requests in writing that the commissioner designate a later date, the date designated by the commissioner; or
 - (iii) the date specified in an ordinance adopted under section 18.5 of this chapter; and
- (4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(b) If, upon receipt of the abstract referred to in section 6 of this chapter, the county treasurer determines that it is possible to complete the:

- (1) preparation; and
- (2) mailing or transmittal;

of the reconciling statement at least thirty (30) days before the due date of the second installment specified in the provisional statement, the county treasurer may request in writing that the department of local government finance permit the county treasurer to issue a reconciling statement that adjusts the amount of the second installment that was specified in the provisional statement. If the department approves the

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1 county treasurer's request, the county treasurer shall prepare and mail
 2 or transmit the reconciling statement at least thirty (30) days before the
 3 due date of the second installment specified in the provisional
 4 statement.

5 (c) A reconciling statement prepared under subsection (b) must
 6 indicate:

7 (1) the actual property tax liability under this article on the
 8 assessment determined for the assessment date for the property
 9 for which the reconciling statement is issued;

10 (2) the total amount of the first installment paid under the
 11 provisional statement for the property for which the reconciling
 12 statement is issued;

13 (3) if the amount under subdivision (1) exceeds the amount under
 14 subdivision (2), the adjusted amount of the second installment
 15 that is payable by the taxpayer:

16 (A) as a final reconciliation of the tax liability; and

17 (B) not later than:

18 (i) November 10; or

19 (ii) if the county treasurer requests in writing that the
 20 commissioner designate a later date, the date designated by
 21 the commissioner; and

22 (4) if the amount under subdivision (2) exceeds the amount under
 23 subdivision (1), that the taxpayer may claim a refund of the excess
 24 under IC 6-1.1-26.

25 **(d) In a county in which an authorizing ordinance is adopted**
 26 **under IC 6-1.1-22-8.1(i), a person may direct the county treasurer**
 27 **to transmit a reconciling statement by electronic mail under**
 28 **IC 6-1.1-22-8.1(i).**

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